

Security Information

4-4028

THE WHITE HOUSE
Washington

EXPLOITATION 3

July 31, 1953

PERSONAL AND CONFIDENTIAL

Dear Dean:

Some of the men working with me have reached the conclusion that the total output of the USSR is increasing and may be expected to continue to increase at an average annual rate of six per cent. I understand that several private investigators have reached a similar conclusion.

If this estimate of the growth of the Russian economy is close to the mark, it is a fact of utmost importance to all Americans and especially to those of us who have some responsibility for national defense. For, as you know, the American economy is not expanding at anything like the alleged rate of growth of the Russian economy.

Some doubt has been expressed as to whether the statistical methodology employed in arriving at these conclusions represents the best that can be devised. It is essential that the very best talent in the highly technical and difficult field of index number construction and aggregate production measurement be mobilized so as to minimize doubt as to the reliability of our data and forecasts on Russian economic growth rate.

The question of Russian production is of great scientific interest in its own right. Beyond this, it is of immediate relevance to national security policy.

For these and other reasons, the Rockefeller Foundation might wish to take some leadership in organizing and financing a study of the growth of Russian production, to be carried out by a corps of statistical specialists working closely with Russian linguists and economists. I should be interested to hear whether the Foundation might find it possible to undertake such a work.

I understand that Arthur F. Burns has already talked about this problem to Dr. Joseph H. Willits, your Director of Social Sciences, and I am writing to convey my own very keen interest in the projected investigation.

DOCUMENT NO. 1

CIA HAS DETERMINED THAT THIS DOCUMENT
MAY BE DESIGNATED SUBJECT TO REVIEW
BY: White House

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COPY FOR MR. ROBERT AMORY, JR.

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Perhaps you will be in Washington at some time in the near future, or we could discuss the matter on the telephone after you have thought it over. If an interest is evinced on your part, very likely a conversation should be held with those primarily interested in these matters, including Arthur Burns and Bob Amory.

Sincerely yours

ROBERT CUTLER
Special Assistant
to the President

The Honorable Dean Rusk
President
Rockefeller Foundation
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